

VZCZCXRO5167  
PP RUEHFL RUEHKW RUEHLA RUEHROV RUEHSR  
DE RUEHMD #1088/01 2881210  
ZNY CCCCC ZZH  
P 141210Z OCT 08  
FM AMEMBASSY MADRID  
TO RUEHC/SECSTATE WASHDC PRIORITY 5437  
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY  
RUEHLA/AMCONSUL BARCELONA PRIORITY 3602  
RUCNDT/USMISSION USUN NEW YORK PRIORITY 0458  
RUCPDO/DEPT OF COMMERCE WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 MADRID 001088

SENSITIVE  
SIPDIS

STATE FOR EUR/WE (SAMSON)  
STATE ALSO FOR IO  
COMMERCE FOR 4212 (DON CALVERT)

E.O. 12958: DECL: 10/14/2018  
TAGS: [ECON](#) [PGOV](#) [PREL](#) [SP](#)  
SUBJECT: SPAIN'S BASQUE REGIONAL GOVERNMENT EXPANDING ITS  
PRESENCE IN U.S.

REF: BARCELONA 000086

MADRID 00001088 001.2 OF 002

Classified By: DCM Arnold A. Chacon for reasons 1.4 (b) and (d)

¶1. (SBU) SUMMARY: The Autonomous Community (regional) government of the Basque Country is opening two new offices in the United States, increasing its official presence to three offices. Ana Agirre, the Basque region's Minister of Industry, Trade and Tourism, will lead a delegation that will officially inaugurate an economic office in Philadelphia on October 14. Meanwhile, a "tourism office" in New York City is scheduled to be opened in January or February 2009. The latter office will be the more controversial in Spain, as it appears to be designed to be a de facto "Embassy" for the Basque Country, where the regional government supports the local electorate's right to self-determination to define the region's relationship with the Spanish central government.  
END SUMMARY

¶2. (SBU) On October 10, PolOff met Mrs. Leyre Madariaga, Deputy DG for Internationalization at Sociedad Para la Promocion y Reconversion Industrial, a public society known as SPRI that is 98% owned by the Basque government and headquartered in Bilbao, the economic engine of the Basque Country. As background, she explained that the Basque government's industrial policy over the past 10 years has created a network of economic offices around the globe to spur greater access to international markets for Basque companies and to increase their competitiveness. SPRI administers this network, which is now operating in 50 countries. According to Madariaga, SPRI's mission is akin to that of a sherpa, leading Basque companies -- more than 50 of which do business in the United States -- to new markets. She also highlighted that each office has a focus on a particular sector of the economy. For example, the two-person economic office in Chicago was created in 2001 and was designed to facilitate the presence of Basque companies in the areas of machinery and automation.

¶3. (SBU) Madariaga, who will be part of the delegation led by Ana Agirre, the Basque region's Minister of Industry, Trade and Tourism, to officially inaugurate the Philadelphia office, explained that this new office will be larger and will have a more comprehensive mission than the one in Chicago. The Basque regional government calls this expanded type of office a Euskarri, meaning a Basque Business Platform. Its expanded responsibilities include developing relations with political and economic authorities at the state level. The opening of the Philadelphia office follows

clean energy investments made near that city in recent years by Gamesa, one of the largest and most influential Basque companies that is one of the world's leading manufacturers of wind-power turbines. The Basque government seeks to piggyback on the presence of Gamesa and to promote renewable energy opportunities for other Basque companies.

¶4. (U) The contact information for the new office in Philadelphia is:

Mr. Fernando Gonzalez  
Basque Business Platform (Euskarri) - Philadelphia  
1835 Market Street, Suite 2430  
Philadelphia, PA 19103  
Tel: (215) 239-6270

¶5. (SBU) Responsibility for the New York office initiative belongs to Mikel Burzako, who works in the Presidency of the Basque Government as Director of Foreign Affairs. Burzako told PolOff on October 10 that the New York initiative is proceeding and that the only obstacle was the administrative paperwork to be done within the Basque Government. Inaki Goikoetxeta, a senior foreign policy adviser in the Basque National Party, the senior partner in the Basque Country's tripartite coalition, told PolOff on October 10 that Mr. Aitor Sotes, 35, who previously led the Chicago office since its inception, will lead the New York office. Sotes' appointment was announced last year.

¶6. (C) The goals of the Basque office in New York appear nebulous and are likely aimed to have more political overtones than the Basque government would care to state unequivocally. The New York office appears to be the Basque counterpart to the office that fellow Spanish region Catalonia is opening, as described in REFTEL. Similar Basque offices exist in Bogota, Brussels, Buenos Aires, Lima, Mexico

MADRID 00001088 002.2 OF 002

City, and Paris and are planned for Berlin, London, and Ottawa, according to Goikoetxeta. In conversations with PolOff, Burzako has appeared to go out of his way not to call the office an "embassy," although Madariaga referred to it as such, using quotation marks, in a meeting after Burzako left the room. Likewise, senior officials in the Basque wing of the center-right Popular Party -- the third most powerful party in Basque regional politics -- use the same terminology and quotations when describing the initiative, which they condemn for its "exorbitant costs and poor justification."

¶7. (SBU) Goikoetxeta noted to PolOff that, in deciding what type of office to open in New York, the Basques were influenced by the Quebec representational office in New York City. Official Basque press releases identify Sotes as the Delegate of the Basque Country in the United States, a title he has used to describe himself in dealing with the U.S. press. Sotes has told the press that his mission will be to "promote and disseminate the culture and the economy of the Basque Country in the United States," suggesting that the Basque Government envisions his duties will be nationwide.

¶8. (C) COMMENT: The Basque Country's efforts to open two new offices mark a considerable increase in its representation in the United States. They also illustrate the Basques' interest in broadening the role of their representation into new areas, with increasingly broader responsibilities. The Spanish central government in Madrid and officials in Spain's Washington Embassy, US Consulates, and UN Mission will no doubt be watching these developments closely and will jealously guard their positions as the official voice of all of Spain. END COMMENT.  
AGUIRRE